



**Washington State  
Department of Transportation**  
**Paula J. Hammond, P.E.**  
Secretary of Transportation

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June 4, 2010

Mr. Peter Hahn  
Director  
Seattle Department of Transportation  
PO Box 34996  
Seattle, Washington 98124-4996

SEATTLE TRANSPORTATION  
10 JUN -9 AM 11:13

**City of Seattle  
South Lake Union/Mercer Corridor  
TIGER-STPUL-9999(580)  
American Recovery and Reinvestment Act  
(ARRA) of 2009 – TIGER Discretionary Grant  
FUND AUTHORIZATION**

Dear Mr. Hahn:

We have received FHWA fund authorization, effective May 27, 2010, for this project as follows:

PHASE	TOTAL	FEDERAL SHARE	TIGER SHARE
Construction	\$70,782,803	\$9,000,000	\$30,000,000

Enclosed for your information and file is a fully executed copy of Local Agency Agreement LA-7185 between the state and your agency. All costs exceeding those shown on this agreement are the sole responsibility of your agency.

**ARRA contains extensive requirements and expectations; failure to meet the items detailed in this letter may result in the withdrawal of the ARRA funding or a delay in receiving progress payments.** As a condition of your acceptance of these funds, your agency agrees to comply with the reporting requirements terms and conditions set forth in ARRA, as designated by the Federal Highway Administration (FHWA), and as detailed in the FHWA TIGER Grant agreement. These requirements include:

- **Maintaining an active status in the Central Contractor Registration (CCR) database at <https://www.Bpn.gov/ccr/default.aspx>**
- Providing a "monthly employment report" to H&LP that summarizes the total employment for each ARRA contract for the contractor, subcontractor, and local employees that worked directly on the project as shown through certified payrolls and/or the direct payroll system.

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- Submitting monthly progress bills to H&LP.
- Submitting a quarterly ARRA status report.

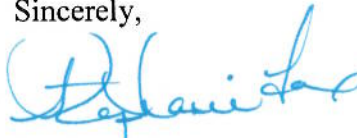
An ARRA quarterly project status report must be updated by the end of each quarter until the project is complete. The report must also be updated with five (5) business days of achieving the following milestones: advertisement, bid opening, contract award, work start, open to traffic, and project closure. The online ARRA database can be found at the following website: <http://www.wsdot.wa.gov/localprograms/>. To access the database, your account name is **Seattle** and your password is **Seatt618** (password is case sensitive).

The success of this project is extremely important to everyone involved. Therefore, it is imperative you notify your Region Local Programs Engineer as soon as possible when issues arise that may affect meeting any of the project's milestones.

Your project has been assigned construction contract number TA-4220.

You may proceed with the administration of this project in accordance with your WSDOT approved Certification Acceptance agreement.

Sincerely,



Stephanie Tax  
Manager, Program Management  
Highways & Local Programs Division

ST:dk:ac  
Enclosure

cc: Ed Conyers, Northwest Region Local Programs Engineer, MS NB82-121

**Agency** City of Seattle  
**Address** 700 5th Ave, Suite 3900  
PO Box 34996  
Seattle, WA 98124-4996

**CFDA No. 20.205**

(Catalog of Federal Domestic Assistance)

**Project No.** TIGER-STPUL-9999(580)
**Agreement No.** LA 7185

For OSC WSDOT Use Only

The Local Agency having complied, or hereby agreeing to comply, with the terms and conditions set forth in (1) Title 23, U.S. Code Highways, (2) the regulations issued pursuant thereto, (3) Office of Management and Budget Circulars A-102, A-87 and A-133, (4) the policies and procedures promulgated by the Washington State Department of Transportation, and (5) the federal aid project agreement entered into between the State and Federal Government, relative to the above project, the Washington State Department of Transportation will authorize the Local Agency to proceed on the project by a separate notification. Federal funds which are to be obligated for the project may not exceed the amount shown herein on line r, column 3, without written authority by the State, subject to the approval of the Federal Highway Administration. All project costs not reimbursed by the Federal Government shall be the responsibility of the Local Agency.

### Project Description

**Name** South Lake Union/Uptown Mercer Corridor Improvements **Length** 2 miles

**Termini** Mercer St. from Dexter Ave N to Fairview Ave N; Valley St. from Dexter Ave N to Fairview Ave N

### Description of Work

The project will construct a widened 2-way Mercer St. and a narrowed, 2-lane, 2-way Valley St. with wide sidewalks and bike lanes. The project also includes reconstruction of adjacent arterials. Construction elements include roadway and sidewalk construction, lighting, signals, signage, drainage, water, sewer, electrical, landscaping, and urban design improvements throughout the corridor. The project's proposed advertisement date is 3/10/2010.

Type of Work		Estimate of Funding		
		(1) Estimated Total Project Funds	(2) Estimated Agency Funds	(3) Estimated Federal Funds
PE _____%  Federal Aid Participation Ratio for PE	a. Agency			
	b. Other			
	c. Other			
	d. State			
	e. Total PE Cost Estimate (a+b+c+d)			
Right of Way _____%  Federal Aid Participation Ratio for RW	f. Agency			
	g. Other			
	h. Other			
	i. State			
	j. Total R/W Cost Estimate (f+g+h+i)			
Construction   Varies % Federal Aid Participation Ratio for CN	k. Contract	30,378,179.00	30,378,179.00	
	l. Other Contract-ARRA 100%	30,000,000.00		30,000,000.00
	m. Other Contract-STP 86.5%	1,121,821.00	151,446.00	970,375.00
	n. Other Consultant-STP 86.5%	8,068,931.00	1,089,306.00	6,979,625.00
	o. Agency STP 86.5%	1,156,069.00	156,069.00	1,000,000.00
	p. State STP 86.5%	57,803.00	7,803.00	50,000.00
	q. Total CN Cost Estimate (k+l+m+n+o+p)	70,782,803.00	31,782,803.00	39,000,000.00
	r. Total Project Cost Estimate (e+j+q)	70,782,803.00	31,782,803.00	39,000,000.00

**Agency Official**

 By [Signature]

 Title Director
Seattle Department of Transportation
**Washington State Department of Transportation**

 By [Signature]

Director of Highways and Local Programs

Date Executed \_\_\_\_\_

MAY 27 2010

## Construction Method of Financing (Check Method Selected)

### State Ad and Award

- ☐ Method A - Advance Payment - Agency Share of total construction cost (based on contract award)
- ☐ Method B - Withhold from gas tax the Agency's share of total construction cost (line 4, column 2) in the amount of \$ \_\_\_\_\_ at \$ \_\_\_\_\_ per month for \_\_\_\_\_ months.

### Local Force or Local Ad and Award

- ☒ Method C - Agency cost incurred with partial reimbursement

The Local Agency further stipulates that pursuant to said Title 23, regulations and policies and procedures, and as a condition to payment of the federal funds obligated, it accepts and will comply with the applicable provisions set forth below. Adopted by official action on

December 1, 2009, Resolution/Ordinance No. 123177

## Provisions

### I. Scope of Work

The Agency shall provide all the work, labor, materials, and services necessary to perform the project which is described and set forth in detail in the "Project Description" and "Type of Work."

When the State acts for and on behalf of the Agency, the State shall be deemed an agent of the Agency and shall perform the services described and indicated in "Type of Work" on the face of this agreement, in accordance with plans and specifications as proposed by the Agency and approved by the State and the Federal Highway Administration.

When the State acts for the Agency but is not subject to the right of control by the Agency, the State shall have the right to perform the work subject to the ordinary procedures of the State and Federal Highway Administration.

### II. Delegation of Authority

The State is willing to fulfill the responsibilities to the Federal Government by the administration of this project. The Agency agrees that the State shall have the full authority to carry out this administration. The State shall review, process, and approve documents required for federal aid reimbursement in accordance with federal requirements. If the State advertises and awards the contract, the State will further act for the Agency in all matters concerning the project as requested by the Agency. If the Local Agency advertises and awards the project, the State shall review the work to ensure conformity with the approved plans and specifications.

### III. Project Administration

Certain types of work and services shall be provided by the State on this project as requested by the Agency and described in the Type of Work above. In addition, the State will furnish qualified personnel for the supervision and inspection of the work in progress. On Local Agency advertised and awarded projects, the supervision and inspection shall be limited to ensuring all work is in conformance with approved plans, specifications, and federal aid requirements. The salary of such engineer or other supervisor and all other salaries and costs incurred by State forces upon the project will be considered a cost thereof. All costs related to this project incurred by employees of the State in the customary manner on highway payrolls and vouchers shall be charged as costs of the project.

### IV. Availability of Records

All project records in support of all costs incurred and actual expenditures kept by the Agency are to be maintained in accordance with local government accounting procedures prescribed by the Washington State Auditor's Office, the U.S. Department of Transportation, and the Washington State Department of Transportation. The records shall be open to inspection by the State and Federal Government at all reasonable times and shall be retained and made available for such inspection for a period of not less than three years from the final payment of any federal aid funds to the Agency. Copies of said records shall be furnished to the State and/or Federal Government upon request.

### V. Compliance with Provisions

The Agency shall not incur any federal aid participation costs on any classification of work on this project until authorized in writing by the State for each classification. The classifications of work for projects are:

1. Preliminary engineering.
2. Right of way acquisition.
3. Project construction.

In the event that right of way acquisition, or actual construction of the road, for which preliminary engineering is undertaken is not started by the closing of the tenth fiscal year following the fiscal year in which the agreement is executed, the Agency will repay to the State the sum or sums of federal funds paid to the Agency under the terms of this agreement (see Section IX).

The Agency agrees that all stages of construction necessary to provide the initially planned complete facility within the limits of this project will conform to at least the minimum values set by approved statewide design standards applicable to this class of highways, even though such additional work is financed without federal aid participation.

The Agency agrees that on federal aid highway construction projects, the current federal aid regulations which apply to liquidated damages relative to the basis of federal participation in the project cost shall be applicable in the event the contractor fails to complete the contract within the contract time.

### VI. Payment and Partial Reimbursement

The total cost of the project, including all review and engineering costs and other expenses of the State, is to be paid by the Agency and by the Federal Government. Federal funding shall be in accordance with the Federal Transportation Act, as amended, and Office of Management and Budget circulars A-102, A-87 and A-133. The State shall not be ultimately responsible for any of the costs of the project. The Agency shall be ultimately responsible for all costs associated with the project which are not reimbursed by the Federal Government. Nothing in this agreement shall be construed as a promise by the State as to the amount or nature of federal participation in this project.

The Agency shall bill the state for federal aid project costs incurred in conformity with applicable federal and state laws. The agency shall minimize the time elapsed between receipt of federal aid funds and subsequent payment of incurred costs. Expenditures by the Local Agency for maintenance, general administration, supervision, and other overhead shall not be eligible for federal participation unless a current indirect cost plan has been prepared in accordance with the regulations outlined in the federal Office of Management & Budget (OMB) circular A-87, and retained for audit.

The State will pay for State incurred costs on the project. Following payment, the State shall bill the Federal Government for reimbursement of those costs eligible for federal participation to the extent that such costs are attributable and properly allocable to this project. The State shall bill the Agency for that portion of State costs which were not reimbursed by the Federal Government (see Section IX).

#### 1. Project Construction Costs

Project construction financing will be accomplished by one of the three methods as indicated in this agreement.